

matters worse. The administration owes the American people an explanation and an apology. More than that, they owe this Nation a plan that will actually create jobs, not export them to China, to India, or other low-wage countries but to create jobs here.

I ask the President to renounce this report from his economic advisers and assure all Americans that the Federal Government will not be taking steps to export these jobs overseas.

Mr. President, I ask unanimous consent that my leader time not be taken from the morning business allocated to the Democratic side.

The PRESIDENT pro tempore. Without objection, it is so ordered.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the previous order, the leadership time, so much as remains for the majority leader, will be reserved.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, the Senate will proceed to a period for the transaction of morning business for up to 60 minutes, with the first 30 minutes under the control of the Democratic leader or his designee, and the final 30 minutes under the control of the majority leader or his designee.

The Democratic leader.

ORDER OF BUSINESS

Mr. DASCHLE. Mr. President, I would be happy to yield to the Senator from Illinois for a question.

Mr. DURBIN. Mr. President, I would like to ask the leader a question under leader time, not under morning business.

The PRESIDENT pro tempore. The leader's time has expired.

Mr. DASCHLE. I inform the Senator from Illinois, through the Chair, that we still have a half hour of morning business time allocated. We can use that time. I will take such time as may be required to respond to the Senator's question.

Mr. DURBIN. I will make my question very brief.

ECONOMIC POLICY

Mr. DURBIN. I commend the leader for his statement this morning and ask him the following: If the Bush administration is now telling us that tax cuts for the wealthy are good for America, if they are now telling us that outsourcing jobs from the United States to other countries is good for America, and they are now cutting overtime pay for American workers and refusing to give unemployed workers in our country the benefits they need to keep their families together, I would like to ask the Senator from South Dakota and our leader on the Democratic side if he

believes this is the right economic policy to move America forward out of this recession and into prosperity?

Mr. DASCHLE. Mr. President, I would simply say that if you judge how good an economy is by the number of jobs created, this policy has been a failure. If you judge economic policy by the kind of fiscal position we now hold—we have a \$600 billion deficit and a \$3.5 trillion debt; a \$9 trillion swing as a result of the tax cuts—this policy is a failure. If you judge by how one pays and rewards work rather than wealth, by this administration's position on overtime, this position and policy is a failure.

I think as we debate the economic circumstances we face in this country these failures ought to be front and center because they are the focus of every American family today.

Ms. STABENOW. Will the leader yield for a question as well?

Mr. DASCHLE. I am happy to yield to the Senator from Michigan.

Ms. STABENOW. Mr. President, on behalf of the men and women of Michigan I thank the Democratic leader for his comments this morning. We read headlines every single day of jobs being lost to other countries, outsourcing, plants that are leaving. It is clear to me we have an administration more focused on wealth than valuing work, as the distinguished Senator from Illinois indicated, with a whole series of policies that do not reward work.

I wonder if the leader might comment on the fact this is a race to the bottom. What they are saying to Americans is they should work for \$2.50 an hour or \$1 an hour or instead of being a computer programmer here, earning \$50,000 a year, if you earn \$15,000 a year, maybe we won't outsource your job. Isn't this a way to eliminate the middle class? How do they, in fact, purchase the cars and the refrigerators and computers and have the quality of life they want, send their children to college, be able to afford a quality of life as Americans, if this is a race to the bottom?

Would the leader agree this is now a race to the bottom and a threat to the middle class and their way of life?

Mr. DASCHLE. Mr. President, I respond to the Senator from Michigan by saying she has characterized this situation very accurately. It is a race to the bottom.

I had a conversation not long ago with a worker at a grocery store chain who was commenting that they are currently in negotiations with this particular chain. He noted over the last 30 years, as negotiations have been evolving, at every juncture, all through the 30 years, the question was: How can we make improvements; how can we improve wages; how can we improve benefits; how can we continue to stay abreast of the current fiscal and financial challenges every family faces? That was the goal, to advance the benefits, the wages, to take into account the dramatic changes in their own circumstances.

He said for the first time in 30 years, their only goal this time is to hold on to what they have so the company doesn't take away benefits, the company doesn't take away wages.

He said: Those on the other side are arguing, we are going to take away some of your wages and some of your benefits because that is what is happening with the competition. In order to be competitive, we have to reduce your wages and reduce your benefits.

I will not accept that for this country. We can't possibly accept the fact we have to move backward. If we are a progressive society, we have to recognize these families have to continue to move forward with regard to their benefits and wages or, you are absolutely right, we will have a race to the bottom, a disparity between those at the top, who get the tax cuts the Senator from Illinois referenced, and those at the bottom, who get not only no tax cuts but now are losing their jobs, benefits and wages, and their overtime. What is that going to do to this country? We are going to have the biggest chasm in all of our history soon between those at the top and those at the bottom. That is unacceptable.

I thank the Senator for her question.

The PRESIDENT pro tempore. The Senator from Nevada.

Mr. REID. Would the Chair announce how much time is left for morning business on this side?

The PRESIDENT pro tempore. Twenty-four minutes 37 seconds.

Mr. REID. Mr. President, the distinguished majority leader announced today the tax cuts were working. My question to him and everyone within the sound of my voice would be: Working for whom? As has been indicated, we have staggering deficits. We have a staggering debt that was not there when this man took the office of President a little more than 3 years ago.

I have been reading a book the last couple days, "The Price of Loyalty," by Ron Suskind and Paul O'Neill. In that book, quite clearly, Paul O'Neill was extremely concerned about the deficits and brought it up at a Cabinet meeting. He was cut off very quickly by Vice President CHENEY, saying: President Reagan proved that tax cuts are good and that deficits don't matter.

I believe deficits do matter. I believe we have a situation developing that is going to cause untold misery and harm, as indicated by the budget we have been given today. We will talk about that during the next few weeks as the budget negotiations and debate go forward.

I am happy to yield 10 minutes to the Senator from Iowa.

The PRESIDENT pro tempore. The Senator from Iowa is recognized for 10 minutes.

Mr. HARKIN. Mr. President, I thank the assistant majority leader for yielding me 10 minutes in morning business. I rise to follow up on what the Democratic leader was talking about in